

Carrier

Guidelines



Groups who have more than one business with different TINs may be eligible to enroll as one group if the following are met:

- One owner has controlling interest of all businesses to be included
- Companies that are affiliated and that are eligible to file a combined income tax return for purposes of state taxation shall be considered one employer
- All groups filed under one combined tax return are considered one group
- There are 100 or fewer employees in the combined groups
- Business with equal controlling interest may be considered if the owners of the company designate an individual to act on behalf of all the groups
- A completed Common Ownership form must be submitted
- Underwriting reserves the right to final underwriting review and may consider common ownership on a case-by-case underwriting exception



Companies that are affiliated and eligible to file a combined tax return for purposes of state taxation shall be considered one employer

Common ownership groups must meet the definition of a small employer when combined.

All companies in the common ownership group must appear as Active on the California Business Portal

The employer can attest to the affiliation on the employer application Section A- Affiliatio



Copies of Articles of Incorporation/Partnership Agreements are required for each group
Common ownership groups must meet the definition of a small employer when combined.

All companies in the common ownership group must appear as Active on the California Business Portal



Each company must share a minimum of 50% common ownership. Companies must have a related industry (The groups would be able to file payroll taxes jointly)

The total number eligible for all combined groups may not exceed 100
Completed Common Ownership Statement

Proof of related industries may be required by the Underwriter



FOR SMALL
BUSINESS

Affiliated companies that are eligible to file a combined state tax return shall be considered one employer for the purposes of obtaining group coverage.

All persons treated as a single employer under subsection (b), (c), (m) or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer.

There must be 100 FTEs or fewer employees in the combined groups.

CPA letter or letter on company letter head signed by owner attesting that the companies share ownership and want to be written together.

CCSB will allow groups to choose if they want to be written together or separately (group must meet the definition of a small employer as a combined entity if written together or separately).

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Small employers qualified to enroll as a single employer are required to submit a letter from a CPA certifying how they are eligible

The CPA must not be an owner or employee of the groups seeking coverage
The letter must be on CPA letter head and it must explicitly state how the groups are eligible to enroll under a single policy

Allowable reasons for how common ownership groups are eligible to enroll under a single policy:

- Affiliated companies that are eligible to file a combined tax return for state taxation
- Controlled groups of corporations
- Trades and businesses, whether or not incorporated, under common control
- Affiliated service groups

Common ownership groups must meet the definition of a small employer when combined



Business entities that are affiliated and eligible to file a combined tax return for purposes of state taxation will be considered 1 employer and must apply as 1 employer
Common ownership groups must meet the definition of a small employer when combined

All companies in the common ownership group must appear as Active on the California Business Portal



Copies of the filed/stamped Statement of Information reflecting all officer/owners, or signed/dated Partnership Agreements listing all partners' names

A letter from the employer's CPA stating that all business entities are eligible to file a combined tax return

Submission of a completed and signed Common Ownership Certificate form
All companies in the common ownership group must appear as Active on the California Business Portal